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31 August 1982

Mr. John H. Bass
Reddie & Grose
16 Theobalds Road
London WC1X 8PL England

RE: Your Report on "Barclay" Patent Status in Europe

Dear John:

Thank you for the very thorough and informative report.

As I mentioned to Jack Mandiratta today, I'll be glad to have you send your bill on this to me.

The other main point raised is the need to establish a policy on follow-up action in those countries where we filed informal third party observations. We can't stop with that, at least in the countries of major interest. Consequently, based on discussions at our Foreign Patent Subcommittee meeting last week in New York, I would like you to be prepared to work with Jack to be sure that our position is reinforced by appropriate action as the need arises. This may require formal opposition, or at least a rebuttal of any comments filed by BAT in an effort to overcome the effect of our initial observations.

I'll be talking about this further with you and Jack from Neuchatel before you receive this letter. It seems likely that Jack can supply all or most of the information you will need to prepare such additional statements of our position. But there is sufficient sensitivity about what will be said that we would prefer to have time to review a draft both here and in New York before anything is actually filed. Perhaps this could be done in general terms on the basis of an outline of the

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basic points you would rely on. Also, if technical support is needed from here, we need as much advance warning as possible in order to schedule someone to visit you or for you to come here.

As a first step, following your return from Neuchatel, will you please let me know the countries in which it is most likely that further action on our part would be in order, and about when it would be required. Also, although Dr. Hach will presumably take care of the situation in Germany (and perhaps elsewhere), I'd like you to coordinate all of this for consistency of effort. Consequently, by copy of this letter to Jack, I want to request that Dr. Hach be told about our plans in this regard, in order to alert him to keep you fully informed on a country-by-country basis, with special attention to allowing enough time for you to review proposed responses before filing.

Jack will fill you in on the situation in Switzerland, but that needs to be pursued vigorously. By the time BAT's Swiss patent has been issued (presumably later this year), we will probably have selected Swiss legal counsel, who will need to be briefed on what has transpired in order to handle any litigation which might arise and to render opinions as required.

Very truly yours,



Arthur I. Palmer, Jr.

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cc: Jack Mandiratta

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